GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA

UNSTARRED QUESTION NO:3244
ANSWERED ON:23.08.2006
RURAL BUSINESS HUBS
Chakraborty Shri Ajay;Reddy Shri Suravaram Sudhakar

Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether the Government is contemplating to sign a Memorandum of Understanding (MoU) with multinational companies based in India and abroad for the development of rural India by setting up rural business hubs; and

(b) if so, the details thereof including its present status?

Answer

MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) and (b):- No Sir. The Government is not contemplating to sign a Memorandum of Understanding (MoU) with multinational companies based in India and abroad for the development of rural India by setting up Rural Business Hubs (RBH). However, the Union Government with the help of State Governments, Panchayats, the Confederation of Indian Industries (CII) and other similar organizations is implementing the concept of RBH to connect rural producers and rural markets to national and international markets with the help of business houses. Panchayati Raj Institutions are being facilitated to enter into Memoranda of Understanding (MOU) with appropriate business partners.

Under the Rural Business Hubs initiative, the Union Government has so far facilitated the signing of over 50 MOUs between private companies (which include Indian as well as multinational companies based in India and abroad), Panchayats, rural artisans, producers, processors etc. These MOUs pertain to different streams of activities including distribution of power by Panchayats, plantation of Jatropha, fruit processing, seed production, organic food, dairying, brick making, electricity generation through bio-mass, handicrafts and handlooms, etc.